

**DEPARTMENT OF HEALTH SERVICES**

**MEDI-CAL BENEFITS BRANCH**  
**MEDI-CAL POLICY DIVISION**  
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April 6, 2001

TO: All Local Governmental Agencies (LGAs)  
Local Educational Consortia (LECs)  
Medi-Cal Administrative Activities (MAA) and  
Targeted Case Management (TCM) Coordinators

**PPL No. 01-003**

**SUBJECT: POLICY REGARDING STATE PLAN AMENDMENTS**

The purpose of this transmittal is to inform each LGA and LEC about new federal guidelines regarding the submittal of State Plan Amendments (SPA).

Historically, after the initial submittal of a SPA the Health Care Financing Administration (HCFA) had a 90-day timeframe within which to approve the amendment, disapprove the amendment, or request additional information. Meanwhile, the Department of Health Services (DHS) had an unlimited amount of time to respond to HCFA's request for additional information. Once DHS responded to the request for information, HCFA had a second 90-day timeframe to ultimately approve or disapprove the amendment.

DHS will now have no more than 90 days to respond to requests for information. HCFA will initiate disapproval action on the pending SPA if a response from DHS is not received within 90 days.

DHS will strive to submit SPAs well in advance of the implementation date. Federal financial participation may only be claimed after the SPA is approved (back to the first day of the quarter in which the SPA was submitted). This change in policy is effective January 1, 2001. This change does not affect the proposed home visitation SPA.

If you have any questions please contact Ms. Elizabeth Touhey, Chief of the Administrative Claiming Policy and Systems Unit, at (916) 657-0716 or by e-mail at [etouhey@dhs.ca.gov](mailto:etouhey@dhs.ca.gov).

Sincerely,

Patricia Morrison, Chief  
Administrative Claiming and Support Section

cc: See Next Page

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